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# MARKETING ACTIVITIES



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The man in charge of naval stores for PMA recounts some of the background of the work in standardization and grading of these products.

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# Expanding Fluid Milk Markets

By Alexander Swantz and Louis F. Herrmann

Secretary of Agriculture Ezra Taft Benson said recently, "If butterfat cannot be sold at profitable prices without selling it to the Government, let's speed the change to producing what consumers will buy. As recently as 1939, whole milk marketings were only 52 percent of the milk utilized in all forms of sale. By 1951, just 12 years later, over 76 percent of the milk sold by farmers was sold in the form of whole milk. The shift to selling whole milk continues."

A governmental pricing policy during World War II encouraged farmers to sell the nonfat solids part of milk as well as butterfat and was one of the first factors to bring about a definite shift from the sale of farm separated cream to whole milk. Some of this whole milk was used for such manufactured products as cheese, evaporated milk, dried whole milk, or for butter and nonfat dry milk solids.

But also during the war there was an increased consumption of fluid milk due to an increase in consumer incomes and a relative shortage of other foods and consumer goods. Fluid milk supply and distribution areas, which at one time were either little islands surrounded by a sea of manufacturing milk or were small oases in a desert that had virtually no milk at all, expanded rapidly.

Thus, World War II, coupled with technological advances in the fields of packaging and transportation, did much to break fluid milk out of its characteristic local market structure. As many of the milk-market "islands" and "oases" became settled with transient populations, local milk supplies fell far short of needs. Before long, milk began to move longer distances from farm to consumer. At the end of the war, this type of movement did not stop immediately. As a matter of fact, some of the larger markets were obtaining milk from "outside" sources as late as 1946 and 1947.

There were three reasons why markets had to reach out such long distances for extra supplies of milk. First, the job of increasing production locally in many areas was too big and too expensive for dairymen to tackle--and they had no way of knowing how long the demand would last. Second, in most markets that needed outside milk, local producers could supply all needs during most months; but during periods of short supplies, outside milk could be imported at a total cost that was less than the cost of expanding local supplies on a year-round basis. This held true even though the price per hundredweight of imported milk might have been higher than prices being paid local producers. Third, in the case of some markets, farmers might have found it unprofitable to produce milk if the price were "blended down" to any extent at all by diversion of

milk into manufacturing uses during some months of the year--which might have been necessary if production had been geared to a year-round basis. This latter consideration is one which is particularly important for many milk markets in the Southern States.

At any rate, the transportation facilities developed and the experience gained through the development of outside sources of supply favor continued reliance on such sources. The equipment and the know-how developed have made for lower costs than existed prior to World War II. And the desirability of "standby" supplies was demonstrated when, after a period of relative oversupply of milk, intermarket shipments of bulk milk were resumed with little effort following the outbreak of war in Korea.

Two developments that took place prior to World War II have been especially significant in the milk market expansion picture. First, the feasibility of paper containers for milk had been thoroughly established. Second, the controversy over distributing milk through stores, as compared with delivering it directly to homes, had been fought to the point where store sales had become an important channel of distribution. These two developments together--the paper container, which made large pay loads possible, and store sales, which meant a large volume of milk delivered per stop--made possible the servicing of small towns at considerable distances from the large cities.

The paper container has had an odd history. Invented and first used in 1908, it had no success and remained a dormant factor until 30 years later. By 1938, however, many milk plants began to install equipment and distribute milk in the new-type package. Today, the widespread use of the paper container is considered to be the largest single factor in shaping current practices in the distribution of milk. Because the use of paper containers for retail sales has made possible the shipment of large loads of milk for long distances, and at little more expense than delivering the same quantities of milk in bulk, milk plant operators would do well to consider carefully the size and type of plant they build in the future--and the attendant consideration of where to locate the plant in relation to the large areas to be serviced.

Another development which is changing the pattern of supply areas is farm tank milk pickup. Under this new system each farm has a mechanically-refrigerated stainless steel tank in which the freshly-produced milk is cooled and stored in bulk form. The milk is hauled to the distributor's plant in a tank truck which also carries the pumping equipment needed to transfer the cooled milk from the farm tank to the truck tank. This technique replaces the cooling, storing, and transporting of milk in the old-style 40-quart milk can. This new system has caught on fast in such markets as Washington, D. C., Seattle, Washington, and in New England.

But with its adoption will come many new problems for the dairyman, the milk plant operator, and producers' cooperative associations. The new system will represent a large investment for the dairyman--which may mean that the dairy herd must be larger in order to take advantage of

this farm cooling and storing equipment. The milk plant operator will have to consider the alternatives of operating country plants or hauling milk directly from farm tanks to city plants. Cooperative associations will have to decide whether to own and operate the tank trucks used to pick up the milk from farm tanks.

The new system, however, has many advantages to offset the problems it will create. One big advantage of farm tank milk pickup is the great degree of flexibility as to the distances milk may be delivered directly from farms. This means, of course, that in many instances there will be choices of different markets which can be supplied directly from a given farming area. All this adds up to an expansion of each local milkshed and market. These expansions will bring new problems for producer co-operative associations--particularly those formed to work in an isolated market with a given group of distributors. The position of local associations in region-wide markets may be similar to the position of unorganized producers in the days before cooperatives. Their problem will be to evolve marketing plans in keeping with the technological progress that has brought about this market expansion.

Still another factor affecting the size of supply and distribution areas has been the evolving attitude toward the sanitary regulation of milk supplies. There are important trends in milk quality standards, in the inspection requirements for Grade A milk, and these will have consequent effects on inter-market and inter-state shipment of fluid milk.

During World War II, for example, many health authorities gave the impression that they were living only for the day when they could resume their reliance on local supplies--which in turn could be under the direct and continuous supervision of the local health department. But shortages in the fall of 1950 and after may have finally given local authorities the idea that reliance on supplies produced under the supervision of outside health authorities would have to be expected.

The growth of this attitude may have been coupled in some degree with the changing attitude of the local, State, and Federal courts toward those sanitary regulations which seem to have had more effect on the movement of milk than they had upon the sanitary quality of the milk. These court rulings, and recent trends in city ordinances, seem to indicate that we shall see more movement of Grade A milk across city and State lines. Cities have begun to accept the inspection certification of health departments of other cities. All of these changes should make it possible for distributors to sell milk over still wider areas--and should make it possible for producers to sell milk to many markets.

These are important gains, not only for producers, but also for consumers. The shift towards greater farm marketings in the form of whole milk will continue. Perhaps the shift will be accelerated. With a growing population, we will have a growing market for fluid milk and related products--a market with a broad, firm foundation. The full potentialities of this market will be realized if we are alert enough to adopt all changes that will increase the distributive efficiency of our milk marketing system.

# No-Smear Meat Sawing

By Edward M. Harwell

Marketing research specialists of the U. S. Department of Agriculture, constantly seeking improvements and economies in the handling of foodstuffs, have added a new twist to their work. In addition to finding improvements, they now invent equipment which will bring about economies.

This, at least, is what happened recently during a study by the Marketing and Facilities Research Branch of the Production and Marketing Administration of meat handling operations in retail food stores. After discovering several ways to reduce substantially the amount of labor required in such work, the research men joined with the personnel of cooperating food stores and an equipment dealer to invent a piece of equipment which partly eliminates one of the bothersome and time-consuming tasks connected with cutting meat on a power saw.

The invention, known as a "smear remover," is an attachment which fits on the space guide of a meat power saw. The space guide regulates the thickness of cuts and guides meat past the saw blade. In position, the "smear remover" scrapes the side of the meat next to it clean of the bone and fat residue which resulted from the previous saw cut.

Bone dust and fat particle "smear" left on meat cuts by the power saw to some extent counteracts the time saving element in use of this equipment. Naturally, it is objectionable. It detracts from the appearance of the cut of meat; it could, over a period of time, contribute to bacterial growth; and it increases and hastens discoloration of the surface of the meat cut. Heretofore, the "smear" has been removed from retail cuts by hand through the use of a wiping cloth, a knife, or a meat scraper made of a looped meat saw blade. This was done as a separate operation, usually after a number of cuts had been sawed, and it took some time.

The "smear remover" consists of a series of stainless steel leaf-type springs, each of which has one or more holes, that are used to scrape the outer surface of the meat as it passes by the springs. The holes for horizontally successive rows of springs are offset to permit scraping the entire outer surface of the cut. Each individual spring operates separately from a vertical post to which it is attached. The purpose of the individual leaves is to make it possible to collect the "smear" from around bones which protrude slightly from the meat.

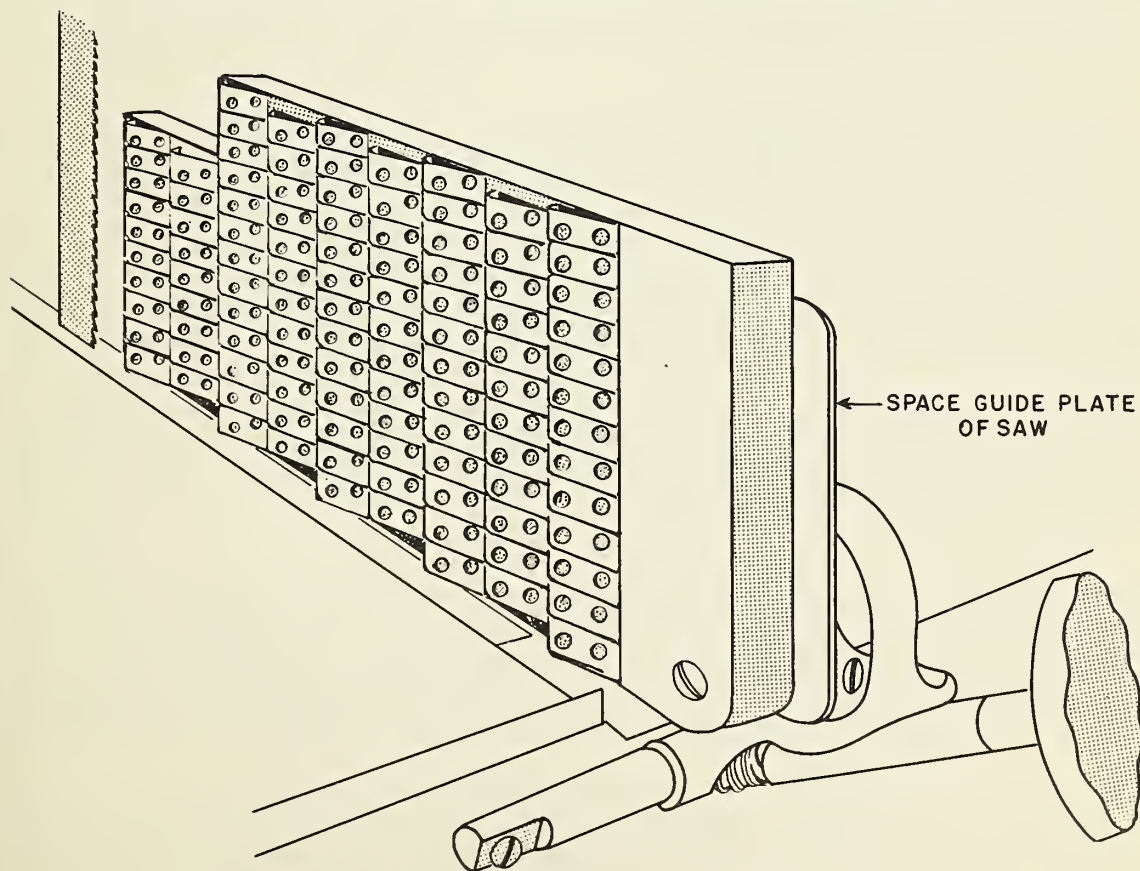
To work properly it is necessary that the operator hold meat firmly against the "smear remover" so that all of the outer surface of the meat

rubs against the attachment as the meat is pushed past the saw. For many cuts this takes no more time than power sawing without the "smear remover." Properly used, the attachment leaves meat cleaner than when a scraper or rag is used. In fact, operators who have seen it in operation have expressed the opinion that it leaves the cut as clean as if it were made with a knife.

Tests made in two stores indicated that the "smear remover" increased production of their cutting operations 20 to 30 percent on meat cuts requiring cleaning and saved 3 to 4.5 man-hours weekly in an average size supermarket. It is estimated that the attachment will cost \$60 to \$75. Developers of the invention have made their rights in it available to the public on a free use basis.

This information is taken from a report, "Handling Meats in Retail Food Stores, Part I," which should be available in printed form from the Office of Information Services, Production and Marketing Administration, U. S. Department of Agriculture, Washington 25, D. C., within a month or so. It is the first in a series on studies made under the Agricultural Marketing Act of 1946 to find ways to improve layout, work methods, equipment and materials used in meat departments of retail stores.

SMEAR REMOVER MOUNTED ON SPACE GUIDE PLATE OF POWER SAW



# Standardization Brings Confidence

By Lafayette C. Carey

Henry VII was a busy man what with fighting the Irish and the French and keeping himself on a wobbly throne he had won in battle. But he was not too busy to give marketing of farm products a lift whenever he could in order to push along the flow of trade among his subjects. In fact, he, representing the people of England in 1495, and our Congress, representing the people of the United States in 1928, were the only authorities to define the bushel measure in almost identical terms.

Henry VII did it by taking a measure long in use--a container 18½ inches in diameter and 8 inches deep--and casting it in metal. He set the measure up in the town hall of Winchester, England and established it as the official bushel in England. Here, traders who came to the bi-weekly corn markets and the fairs, authorized for the town for several days a year, could settle their disputes arising over conflicting claims of long or short measure. Henry's container holding 2,150.5 cubic inches, although not in use in England since 1825, is known today as the Winchester bushel and is the basis for our bushel measure.

Four hundred and thirty-three years after the Winchester bushel was promulgated, the Congress of the United States enacted legislation that set the measure of the bushel at 2,150.42 cubic inches--only eight one-hundredths of a cubic inch less than Henry's bushel.

The standard quart, dry measure, had been established by an act passed in 1916. This law was enacted under the Interstate Commerce Clause of the Constitution and fixed the standard sizes of berry baskets and similar containers and of climax baskets for fruits and vegetables. The act of 1928, establishing standard sizes of hampers, round stave baskets, and splint baskets for fruits and vegetables was enacted under the weights and measures clause of the Constitution, and thus applies in intrastate as well as in interstate commerce.

Like Henry the 7th's regulations, the standard container regulations were put into effect to stimulate trade by smoothing the channels through which it moved. Both acts prohibit the manufacture, sale or shipment of baskets and hampers, filled or unfilled, that are not of the standard sizes prescribed; and the act of 1928 provides that hampers, round stave baskets, and splint baskets shall not be deceptive in appearance.

Prior to passage of the 1916 and 1928 containers acts there was considerable confusion in the sizes of hampers and baskets. Like Topsy, the container industry had "just grewed up", with no direction or control

whatever. The situation had become so bad produce shippers and container manufacturers joined in pressing for the original law. Benefits accruing from enforcement of the first act led to development of sentiment which brought about enactment of the 1928 legislation.

Here are some results of the enforcement of the acts: Under the 1916 law, the 30 sizes and types of till baskets or small fruit and vegetable baskets have been reduced to five. Before this, the berry trade came up face to face with 44 sizes of berry boxes ranging from  $\frac{1}{2}$  pint to one quart, including such baffling measures as four-fifths of a pint and three-fourths of a pint. These now have been cut to three sizes: One-half pint, one pint, and one quart, dry measure. Under the 1928 act, round stave baskets were reduced to nine standard sizes. Hampers took a cut from 40 different sizes and shapes to 9, and the number of climax baskets which are used for grapes and other fruit were reduced from 31 to 4.

Bringing order out of chaos also saves everyone from producer to consumer money, as well as being the source of considerable conveniences to all concerned. The consumer collects one dividend in the form of lower costs because it is the consumer who pays a large share of wasteful costs of marketing. Waste in costs of manufacture of containers are cut sharply by standardization of sizes, reduction of number of sizes, and simplification of the containers' design and dimensions. So too are transportation and handling costs lowered by containers of uniform size and shape. Containers that stand the buffeting of travel cut down the cost of damage to the products shipped. The consumer who pays a large portion of all accrued costs is therefore benefited by anything that contributes to their reduction.

### Standardization Benefits

The grower or shipper benefits from any action that lowers the cost of the package and reduces transportation and merchandising costs. When trading between retailer, wholesaler and producer is done by wire, container sizes of assured accuracy facilitate the entire transaction. Unfair competition by a competitor, who might otherwise use a short package, is also eliminated.

To the manufacturer standardization of containers means that his production problems are simplified and that he can concentrate on and carry in stock a relatively few sizes with consequent lowering of manufacturing, handling, and storage and inventory costs.

The carriers of the products are helped by the elimination of unnecessary sizes and styles of baskets. The more there are the more problems of damage in transportation arise. Few sizes facilitate the working out of efficient methods of loading and stacking, and also the development of equitable billing weights.

To carry out the enforcement of the acts during the 1951-52 fiscal year 1,925 samples of varying types and sizes of fruit and vegetable containers were examined. Sixty-nine of them required correction to meet legal standards. Of these 58 had been corrected by the end of the year.

Manufacturers of baskets and hampers for fruits and vegetables submit samples to the PMA Fruit and Vegetable Branch in Washington, D. C., usually before putting the basket into production. If they meet specifications, a go-ahead on their manufacture is in order. If the samples fail to come up to the legal standards, PMA points out the defects and suggests remedies that will bring the containers up to standard. Last year samples were submitted and tests made on products from over 100 factories. At the end of the year there were 190 factories equipped to make containers subject to the provisions of the act.

Many of the containers defined in the acts have fallen into relative disuse. For example, the climax basket with a handle formerly used in tremendous quantities for Eastern grapes is used in only limited volume in Michigan and the Ozarks. It's principal use is for tomatoes and mushrooms. At one time there were forty manufacturers of these baskets. Today there are not more than a dozen.

Although all the new containers that have come into use are not covered by the act, a ruling holds that if a berry box is made of material other than wood, such as cardboard or plastic, it would be subject to the regulations of the act. Some paperboard berry boxes are used in California, but they have not become generally accepted elsewhere. The wooden berry boxes, round stave baskets, market baskets and hampers continue in general use and enjoy a continuing confidence built up by the Standard Containers Acts.

### Confidence Aids Trade

Confidence has supplanted suspicion and distrust in the minds of buyers since the acts have been in operation. Prior to the establishment of standard containers, wholesaler and retailer had only a chaotic array of sizes upon which to fix prices. Buying and selling by wire was next to impossible unless one was willing to deal in constant jeopardy of losses to be sustained through deceptive container sizes. Because suspicion inhibits trade, many honest merchants may have failed to sell as much goods as they would have done had there been confidence between them and the buyers.

The acts were also a boon to consumer confidence. Before the acts were put in operation a housewife at market could never be quite sure of the quantity being offered in berry boxes and other types of baskets. Containers that held  $\frac{3}{5}$  of a pint were built up to resemble a pint measure and often sold as such. Since there was no opportunity to measure the product at market, or its inconvenience prevented it from being done, the housewife could always fall an easy victim of unscrupulous dealing. Indeed, merchants, themselves, could never be quite sure of what they were buying or selling.

Today the buyer no longer stops to ponder whether the bushel basket really holds a bushel, or whether the pint-sized berry box holds a pint. He's sure of it, with a confidence built up through years of consistent enforcement of the Standard Containers Acts.

# International Grade Standards

By Rodney Whitaker

The foundation for trading in American upland cotton on most major cotton markets of the world during the next 3 years will be laid at a conference to be held at the U.S. Department of Agriculture, in Washington, beginning May 13. On that date, the Universal Cotton Standards Conference for 1953 will convene.

During the course of this meeting representatives of the Department and of cotton associations from nine major importing and consuming countries will examine and approve more than 1,000 boxes of Universal Standards for grades of American upland cotton. These "key" boxes will serve as guides in the preparation of copies of the standards and will serve the same purpose in classification of American upland cotton on major world markets during the next 3 years.

Two sets of boxes, or copies, of these physical cotton standards will be drawn by lot to be treated with the care usually associated with the crown jewels of a foreign country. One box, placed in a lead-lined and carefully sealed container will be consigned to the safety of a vault in the U. S. Treasury. The other key set, equally as well protected, will be held in a vault in the Department of Agriculture. The purpose of this is to insure that both of the sets will not be exposed to the same possibility of loss, damage or deterioration. They will remain in "protective custody" until the next meeting of the Universal Cotton Standards Conference in 1956.

Representatives of shippers, mills, producers' cooperative organizations, and other farm organizations in this country will also be present at the conference and will participate in this work, which plays a significant part in world marketing of American upland cotton.

Behind all this ceremony there is a long period of history--30 years, to be exact. Back in March 1923, the United States Cotton Standards Act became law. Later, the same year, agreements were negotiated by USDA with the then nine associations and exchanges in the major European cotton consuming centers. Three of these associations were in England, and there was one each in Belgium, France, Germany, Holland, Italy, and Spain. (These organizations still are parties to the Universal Cotton Standards Agreement and have been joined in more recent years by similar associations in Japan and India.) Under the agreements, which since have been revised and supplemented, the foreign signatory cotton associations and exchanges adopted U. S. Cotton Standards as Universal Standards for grade and color for all their contracts in which grades are specified for the purchase and sale of American upland cotton. In addition, they agreed

that the original standards--the physical samples for grades--would be kept in Washington and that no copies of the standards would be used except those prepared by the U. S. Department of Agriculture.

In return, the Department agreed to make no changes in the upland cotton standards for grade and color unless a meeting were held at which the signatory foreign associations and exchanges would vote upon such changes or revisions. Voting power at such meetings is split 50 percent for the Department of Agriculture and 50 percent for the foreign signatory groups, with the vote of the foreign organizations to be divided as they agree among themselves. In addition, the Department agreed to appoint members of arbitration committees of the foreign signatory associations, who have final jurisdiction in matters concerning the quality of cotton in shipments with which members of the associations are concerned. In this capacity they are authorized to determine the classification of any cotton involved in a dispute, which was sold under contract subject to rules of their respective associations or exchanges, and issue certificates showing such determinations. The Department provides by regulation that such determinations are final.

It should be noted that the agreement expressly provides that it does not cover staple standards or staple determinations.

Meetings under the Universal Cotton Standards Agreements are held at 3-year intervals for the purpose of examining and approving sets of copies of the "original standards as and when they were established." The meeting to be held in May is for the purpose of examining and approving sets or "copies" of revised standards promulgated last year by the Department under the United States Cotton Standards Act to become effective August 15, 1953. This is the third major revision of the cotton standards since the agreement was made. The others took place in 1935 and 1946.

The revised standards were requested by the last Universal Standards Conference held here in 1950, and are based upon surveys of recent cotton crops and suggestions received at informal meetings with interested producers, trade and industry groups. Before promulgation by the Department, the new standards were considered at a public meeting here last June and were approved by the signatories to the agreements at a meeting in Le Havre, France, in July, last year.

Since then, classification experts of the Department have been busy selecting cotton which will be used in the physical grades.

The boxes for the official standards are about 20 inches by 20 inches and 3 inches deep, and will contain 12 samples of cotton for each grade.

At the request of the world cotton industry and trade, physical standards for Spotted cotton will be proposed by the Department, as will be a physical standard for Good Middling White cotton. It is not known if these latter physical standards will be accepted at the conference.

The 1,000 boxes of standards to be considered at the conference re-

quired about 75 bales of cotton--about 6 bales for each of the grades for which physical standards have been prepared. They will be examined by experts for color, leaf (amount of foreign matter), and preparation (whether the ginning has been rough or smooth).

Following approval of these boxes by the various representatives, they are given numbers and corresponding numbers are placed in a container for drawing. The first of two sets to be drawn will be known as "key set of 1953" and the second the "reserve set of 1953." They are to be protected as described in the opening paragraphs of this article. Following this each of the foreign organizations and the Department will draw numbers for as many sets as they are entitled, usually from two to four for the foreign organizations, and whatever number is necessary for the Department. After the drawings, members of the committee that have the job of safeguarding the "key sets" make arrangements for their safe keeping.

The idea of facilitating the buying and selling of American cotton on foreign markets on the basis of the Universal Standards has well demonstrated its worth in the international cotton trade. This year, for the first time, India, which is now a net importer of cotton, will be represented among the foreign consuming organizations.

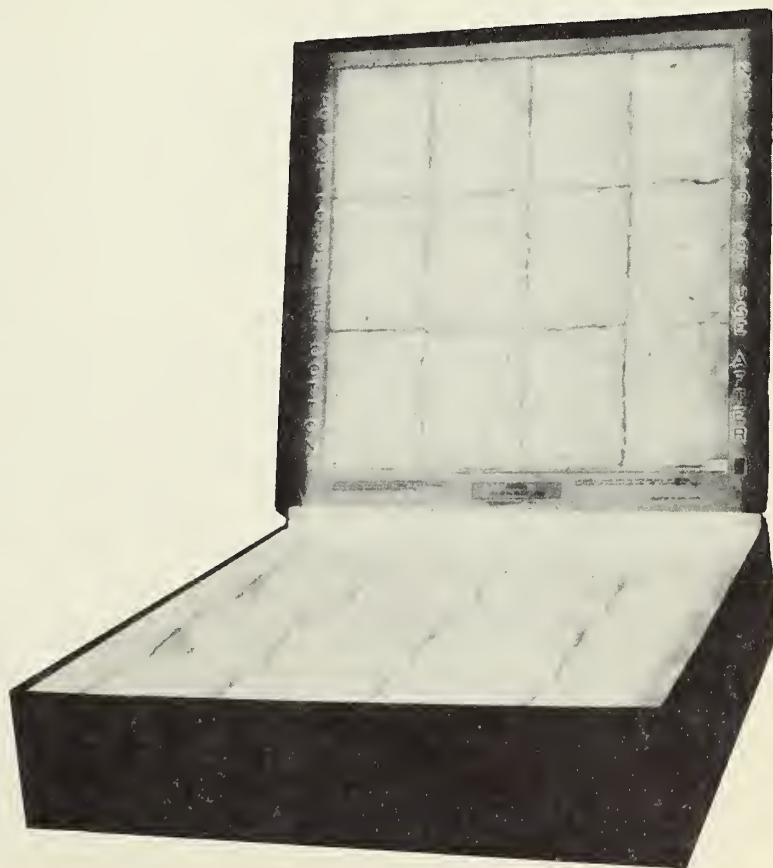
The value of this country's standards for cotton is not appreciated only by the foreign consuming countries, however. Other cotton producing countries, particularly in South and Central America, have patterned their standards on those of the United States and some have adopted U. S. standards as their own.

This is a photograph of a box of standards for grade of American upland cotton similar to those discussed in the article.

Only the label designating the particular grade is missing from the lower front part of the box.

The actual cotton is in the lower portion of the box. Above, inside the lid, is a glossy photograph of the contents of the box.

Along the left hand side of the lid is a warning not to touch the cotton. On the other side is a statement that use of the box is not valid after a certain date.



# Naval Stores Come Ashore

By Milton Briggs

The term "naval stores," still in use today, has lost a lot of the meaning it had back in the days of iron men and wooden ships. Then, the use of pine tar and pitch for caulking decks and hulls and preserving rigging was the principal reason for obtaining these products from coniferous trees. With today's steel ships and diesel engines the closest a sailor comes to "naval stores" probably is when he is engaged in covering rusty steel with bright new paint.

Naval stores, however, have continued important to our national economy since the earliest Colonial days. Documents dating back to early 1600 mention "Hard Pitche," "Tarre," "Turpentyne," and "Rozen." Today, the term includes not only the primary derivatives, turpentine and rosin, but also pinene, pine oil, dipentene, rosin oil, and tall oil. Turpentine, primarily used as solvent, is an important chemical raw material in many products. Rosin end uses include protective coatings, soap, adhesives, surgical tape, printing inks, matches, floor coverings, synthetic rubber, plastics, and paper size.

Modern naval stores are obtained from: (1) Pine gum extracted from living trees; (2) the substances extracted from pine stump wood by solvents and steam distillation; (3) destructive distillation of similar wood (a process whereby wood is heated until consumed with the useful substances turning into vapors which are then distilled); (4) refining waste byproducts of the alkaline paper pulp industry.

The two primary derivatives, turpentine and rosin, are sold on the basis of inspection and grade. Rosin grades are based on color; cleanliness, brightness, and freedom from foreign matter are prime considerations. Three attributes of color, hue, purity, and brightness, determine the grade. Color is very important in grading because through it the user can determine the purpose for which the rosin is best suited. Turpentine also is sold on the basis of color grades so that the degree of deterioration resulting from careless handling following distillation can be determined.

Prior to 1846 there were only two grades of rosin, "fine" and "common," but as time went on improved distillation methods permitted closer color differentiation and increased the color range. Today, the Naval Stores Act (7 U.S.C. 94) lists 13 separate grades of rosin which are uniformly graduated from the lightest to the darkest color. The act makes the use of these grades mandatory when rosin is sold in interstate commerce.

Most of the grades have been assigned names to prevent errors in

calling grades during inspection operations. (There is no factual basis for statements that these names represented children residing on Southern plantations.) The grades and names follow:

<u>Official Grade Letter</u>	<u>Popular Assigned Name</u>	<u>Original Trade Designation (now in disuse)</u>
X	Extra Waterwhite	None
WW	Waterwhite	White
WG	Window Glass	Glass
N	Nancy	Extra Pale
M	Mary	Pale
K	Kate	Low Pale
I	Isaac	Good No. 1
H	Harry	No. 1
G	George	Low No. 1
F	Frank	Good No. 2
E	Edward	No. 2
D	Dolly	Good Strained
B	Betsy	Common Strained

Also, pursuant to the Naval Stores Act, rosin is classified as: Gum rosin, wood rosin, or tall oil rosin, depending on origin (gum, stump wood or tall oil).

An inspection service by the United States Department of Agriculture is provided for by the Act to facilitate the marketing of naval stores. The service was established in 1927 and operates on a voluntary basis. The Department has prepared permanent rosin standards, made of special glass with extremely close color tolerances, for general use by the trade on a loan basis. These standards represent the color of the respective grades of rosin, other than the lowest grade (B). Practically all inspection now is accomplished with these standards.

Inspections are ordinarily performed at approved processing plants by resident inspectors, licensed by the Department. They determine the grade by comparing the rosin samples, taken from the second and last drums of each batch of rosin, with the glass standards. When inspections are performed by non-resident inspectors at locations not equipped to fill to uniform weights, each drum is weighed as well as graded.

Following inspection, drums and bags of rosin show the name or recorded identification mark of the processor, kind of rosin, batch number (if batch grading is practiced), gross and net weights and the grade. Tank car rosin inspection certificates show the grade and car number.

The Naval Stores Act also prescribes standards of identity for the different kinds of turpentine. These are: Gum spirits of turpentine, steam distilled wood turpentine, sulphate wood turpentine, and destructively distilled wood turpentine. To conform with these standards, turpentine is required to be of a purity and quality represented by specifications of the American Society for Testing Materials.

Turpentine specifications list the physical and chemical properties, including color, specific gravity, refractive index, initial boiling point, percentage distilling within established temperature ranges, distillation, polymerization, evaporation, residue, and acidity.

The principal turpentine color grades are "Waterwhite" and "Standard." Color is determined by looking end-wise through a glass tube of turpentine. The column of turpentine so viewed must give a color equal to the color of No. 1 yellow Lovibond glass. To equal Waterwhite, the minimum depth should be 150 mm.; for Standard, the depth range may be from 50 to 150 mm. Any column of a depth less than 50 mm. results in a color that is graded "Off Shade."

The Naval Stores Inspection Service, therefore, enables buyers and sellers to trade confidently on the basis of uniform grades and standards. It reduces marketing costs by providing economical insurance against claims which, prior to the establishment of the service, frequently beset the naval stores trade. There is no record in the U. S. Department of Agriculture of a substantiated quality claim against any federally inspected and certified naval stores. Use of the service by federal procurement agencies effects substantial saving by avoiding duplicate inspections by these agencies.

The Naval Stores Act provides that certificates of inspection are prima facie evidence of the accuracy of analyses, classifications, and grades of the naval stores represented and are judicially recognized. The certificates support collateral loans from banking firms and governmental corporations.

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#### OFAR TO FAS TO BOOST FOREIGN MARKETS FOR FARM PRODUCTS

Establishment of a new agency in the U.S. Department of Agriculture, the Foreign Agricultural Service, which will succeed the former Office of Foreign Agricultural Relations, has been announced by Secretary of Agriculture Ezra Taft Benson. The new agency will place increased emphasis on development of foreign markets for American farm products and the stepping-up of international trade, the Secretary said.

"We are establishing the new unit, the Foreign Agricultural Service, and giving it full importance here along with our re-grouping plan announced January 22," the Secretary explained. "The new service unit will be headed by Romeo E. Short, present director of Agricultural Credit Services, who will devote full time to the development of off-shore markets for our own production as well as aid other governments in their American marketing."

Mr. Short, accepting the new assignment pointed out that many problems confronting the world today are agricultural, and added that "our Nation... must accept leadership in a more effective world-wide collaboration on a sound economic basis." He said it would be the objective of FAS to bring this about.

# Marketing Briefs

(The program announcements summarized below are more completely covered in press releases which may be obtained on request from the Office of Information, U. S. Department of Agriculture, Washington 25, D. C. by citing the code number given at the end of each item.)

Cotton.--Simplified procedure to make cotton price support loans more effective at the grower level and to ease participation by lending agencies was recommended by a Cotton Loan Advisory Committee meeting at USDA March 5 and 6 at the invitation of the Secretary of Agriculture. Several other recommendations were made. (USDA 564-53)...The Cotton Loan Advisory Committee, consisting of representatives of producers, warehousemen, merchants and bankers was appointed by the Secretary earlier in the month. (USDA 475-53)... Later, in a special statement, the Secretary urged cotton farmers to avoid overproduction this year, reminding them that too big a crop would result in production and marketing controls in 1954, as well as have a depressing effect on prices. (USDA 405-33)... Fees for cotton review classing under cotton futures legislation, now a part of the Internal Revenue Code, have been increased from 30 to 35 cents per bale, effective April 1, 1953. The increase applies only to reviews of classing of cotton for delivery under futures contracts and NOT to classing under the Cotton Standards Act. (USDA 396-53)... Substantial sales of cotton linters from CCC stocks have been announced. (USDA 515-53)... Earlier, USDA announced rejection of all offers on these CCC linters, made up to February 16. (USDA 386-53)... CCC offered for sale on March 17, 1953 about 395 bales of KENAF fiber, substitute for jute, grown under USDA contract. (USDA 531-53)

Dairy.--Support prices of \$3.74 per cwt. for manufacturing MILK testing 3.95 percent and 67.3 per pound for BUTTERFAT under the 1953-54 dairy price support program have been announced. These price levels, 3 percent under the current program, will be maintained on a national average basis through purchases of BUTTER, CHEDDAR CHEESE, and non-fat DRY MILK solids. (USDA 597-53)... Previously, Secretary Benson had announced a support program at 90 percent of parity, pointing out that a primary reason for the action was assurance from the dairy industry it would immediately start work on programs to reduce to a minimum governmental support purchases. (USDA 467-53). This support figure was recommended by a dairy industry advisory committee which met at the Department here in mid-February. (USDA 382-53).... On March 12, Secretary Benson issued a statement on the dairy situation and called a work conference for the entire dairy industry, farmer's through retail distributors and processors, to be held here April 2 and 3. The Secretary pointed out that total government costs of dairy supports since January 1949 were over \$150,000,000. "There is no true surplus of dairy products," he added. "Production and marketing adjustments have lagged behind needs of the time. This must be corrected." (USDA 601-53)

Two reports of interest to the fluid milk industry recently have been

issued by USDA. One by Farm Credit Administration finds that the fall premium milk pricing plan has been effective. "Fall Premium Milk Pricing Plans," Circular C-147. (USDA 395-53). The other by PMA deals with the effectiveness of sanitary regulations on milk quality. "Sanitary Milk Control and its Relation to the Sanitary, Nutritive, and Other Qualities of Milk." (USDA 554-53)

The following actions were taken in connection with milk marketing orders during the past month: New York, additional hearings scheduled on proposals to change several provisions of order. (USDA 479-53). USDA denied hearing on proposal to change Class I-A milk prices. (USDA 447-53) Hearing scheduled March 23 on proposal to change Class II milk prices. (USDA 566-53). Knoxville, changes, effective March 14, in manufacturing milk price approved temporarily. (USDA 585-53). Ft. Smith, manufacturing milk prices temporarily reduced. (USDA 441-53). Cleveland, similar action recommended. (USDA 591-53). Louisville, similar action also recommended. (USDA 542-53). Hearings have been scheduled to consider lower manufacturing milk prices in Springfield, Mo., (USDA 416-53); Neosho Valley, (USDA 398-53), St. Louis, (USDA 413-53), Central West Texas, (USDA 536-53). Two hearings have been scheduled for Tulsa and Muskogee. One on the change in manufacturing milk prices and the other on the proposed merger of the two marketing orders. (USDA 397-53). USDA has recommended that the scheduled decline in Class I milk prices for Cincinnati in March be permitted. (USDA 372-53). Ft. Wayne, Class I price differentials amended. (USDA 464-53). San Antonio, emergency Class I price increase terminated for March. (USDA 442-53). Hearing on price changes in the five New England milk marketing orders has been denied. (USDA 446-53)

Fats and Oils.--Improvements in the PEANUT price-support program and further study designed to develop a more satisfactory program were among recommendations of an advisory committee for that commodity which met at USDA March 9. (USDA 581-53). The group representing producers, shellers and handlers was appointed by Secretary Benson earlier. (USDA 526-53)... Development of a COTTONSEED price support program for the 1953 crop, to be carried out through loans and purchases from producers at 90 percent of parity, was recommended by a special industry advisory committee for that commodity. (USDA 432-53)

Fruits and Vegetables.--Production goals for 1953 summer and fall vegetables for fresh use, summer melons, and vegetables for commercial processing have been announced. They call for 1 percent increase in acreage of summer vegetables for fresh market; 2 percent decrease in fall vegetables; decrease of 1 percent in vegetables for processing and a slight increase for melons. (USDA 392-53)... First U. S. Standards for Grades of FROZEN SQUASH (summer type) have been announced. (USDA 454-53)... Revised standards for CANNED AND FROZEN DICED CARROTS (USDA 419-53)... Actions on marketing agreements and orders during the month follow: California growers voted continuance of agreement on fresh BARTLETT PEARS, EARLY PLUMS, LATE PLUMS, and ELBERTA PEACHES. (USDA 506-53). Hearing was to be held March 30 on amendments to marketing agreement for PEAS and CAULIFLOWER in the San Luis Valley, Col. (USDA 539-53). Members and alternates have been appointed to the industry committee for the Georgia PEACH marketing agreement. (USDA 587-53). Hearing on amendments to that

agreement was scheduled for March 9. (USDA 555-53)

Grain, Feed and Seed.--Secretary Benson has announced price supports will NOT be available for 1953 crops of HAY and PASTURE SEED since carry-over and indicated production this year appear adequate to meet requirements. (USDA 507-53)... Balanced programs and further price studies were recommended by a special SOYBEAN-FLAX advisory committee which met at USDA in early March. (USDA 588-53). The meeting was called by Secretary Benson. (USDA 529-53)... A similar group for CORN urged steps be taken to widen markets and develop more efficient storage with a broader and better correlated research program to help reach these objectives. (USDA 545-53)... A special WHEAT advisory committee recommended maintenance of adequate supplies of that commodity, an adequate export program, and changes in the loan program. (USDA 508-53). Earlier, a much larger group reviewed the situation. (USDA 493-53). Secretary Benson called the conference. (USDA 458-53)... Announcement has been made that CCC will purchase moderate amounts of new CORN. (USDA 404-53)... Purchases of 21,000 cwt. of RICE for US Army shipment to Korea have been made. (USDA 365-53). RICE export allocations for the second quarter of 1953 have been announced. (USDA 524-53). Sometime in April CCC may re-offer Great Northern BEANS for sale for export. (USDA 605-53)... a record 455.8 million bushels of 1952-crop wheat has been put under price support. Corn stocks under support also were high, totaling 228.6 million bushels as of February 15. The report also covered other grains under support. (USDA 599-53)

Livestock.--Recommendations designed to increase consumption of BEEF were made by a Livestock Advisory Committee meeting with USDA. The group "rejected" government subsidies and supports for their industry but asked for a broader program of promotion of beef as a plentiful and low-priced food, increased use of the meat by the Army and in the school lunch program. Among other recommendations was one that research be expanded to widen outlets for tallow, animal fats and hides. (USDA 604-53)... The group was called together by Secretary Benson. (USDA 462-53)... Earlier an agricultural finance advisory group met with the Secretary and reported that adequate credit is available to livestock producers. This group added that farmers in general are not concerned so much about the drop in farm prices as they are about increased costs of the things they have to buy. (USDA 517-53). This group also was called together by the Secretary. (USDA 489-53)... Restrictions on imports of livestock and animal or other products imposed because of foot-and-mouth disease in Canada were lifted as of March 1. (USDA 476-53)... USDA has offered to buy a quantity of frozen BEEF for export to Greece under a Mutual Security Administration requisition. (USDA 592-53)

Poultry.--Increases in EGG grading and laboratory test fees for eggs and egg products have been announced, effective April 1. (USDA 586-53)... An industry-wide TURKEY conference was held by USDA early in March, at which the recommendation was made that a 12 to 15 percent cut in heavy-type turkeys be made this year. (USDA 553-53)

Sugar.--Minimum wages set for sugar beet workers in areas other than California, and parts of Arizona, Oregon and Nevada. (USDA 594-53)

## ABOUT MARKETING

The following addresses and publications, issued recently, may be obtained upon request. To order, check on this page the publications desired, detach and mail to the Production and Marketing Administration, U. S. Department of Agriculture, Washington 25, D. C.

### Publications:

Sanitary Milk Control and its relation to the Sanitary, Nutritive, and Other Qualities of Milk. Publication 250 (This study was done by the National Research Council under contract with the U.S. Department of Agriculture and under authority of the Agricultural Marketing Act of 1946.) 1953. 174 pp. (Printed) (PMA)

Purchases and Dispositions of Dairy Products by U. S. Department of Agriculture, Calendar Year 1952 and Summary of Purchases and Sales of Dairy Products Acquired Under Price Support Programs January 1949 - December 1952. February 1953. 10 pp. (Processed) (PMA)

Consumer Purchases of Fruits and Juices in January 1953. February 1953. 16 pp. (Processed) (PMA)

Fiber and Spinning Test Results for Some Varieties of Cotton Grown by Selected Cotton Improvement Groups, Crop of 1952 (Supplement No. 4) December 1952. 11 pp. (Processed) (PMA)

United States Standards for Grades of Canned Mushrooms, Effective January 19, 1953. Issued Dec. 12, 1952. 11 pp. (Processed) (PMA)

Livestock Market News Statistics and Related Data, 1951. Statistical Bulletin No. 118. November 1952. 61 pp. (Printed) (PMA)

Notices of Judgment Under the Federal Insecticide, Fungicide, and Rodenticide Act No3. 77-133. January 1953. 77 pp. (Printed) (PMA)

U. S. Grades for Edible Sugarcane Molasses and The Federal Grading Services. February 1953. (Folder) (Processed) (PMA)

U. S. Grades for Refiners' Sirup and The Federal Grading Services. February 1953. (Folder) (Processed) (PMA)

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